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STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE U.S. DEPARTMENT OF ENERGY

WORK AUTHORIZATION DIRECTIVE

TO

DynMcDermott Petroleum Operations Company

Management and Operating (M&O) Contractor for the U.S. Department of Energy Strategic Petroleum Reserve

1.	TITLE: Maintenance Program			
2.	WORK AUTHORIZATION NO.: 20)11-1.M	3.	REVISION:0
4.	RESOURCE REQUIREMENTS:		5.	PERFORMANCE PERIOD
	ESTIMATED COSTS: \$21,469,275 Change in Inventory: \$0			FROM <u>10/01/10</u> TO <u>09/30/11</u>
6.	DESIGNATED OFFICIAL:	William C. Project Man	Gibso	
7.	DOE CONTRACTING OFFICER:	Kelly M. G	J	200'
		Og Issue Date	9/14/1	10

M&O CONTRACTOR FOR STRATEGIC PETROLEUM RESERVE

Work Authorization Directive

Maintenance Program

I. DESCRIPTION OF WORK

The Contractor shall provide the resources required to maintain the facility, equipment, utilities, and infrastructure to support drawdown readiness in a safe, effective, efficient, timely, and environmentally compliant manner.

Responsibilities include repair, modifications, installations, preventive maintenance, corrosion control, Recovery Program, predictive maintenance, corrective maintenance, provisioning, cataloguing, calibration, and grounds maintenance.

The Contractor, in the performance of assigned responsibilities, shall ensure compliance with SPRPMO O 433.1B, Maintenance Management Program.

The Contractor shall perform preventive maintenance in order to minimize facility or equipment failure and to enhance the reliability of systems and equipment essential for operations. The Contractor shall perform corrective maintenance to support operational requirements, and other non-compliant conditions, and establish predictive maintenance techniques to identify possible failures.

The Contractor in the process of maintaining the facilities/support equipment shall calibrate applicable equipment, evaluate current equipment configuration; remove and excess unneeded equipment, perform equipment modification, upgrades, and overhauls to include Recovery Program equipment.

The Contractor shall establish a support system that measures, evaluates, and reports on the performance of maintenance activities and the maintenance of Government assets that are leased.

The Contractor will ensure Lessees of Government-owned SPR assets perform all maintenance in accordance with the latest Government-approved lessee maintenance plan or corrective action plan approved by DOE.

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The Contractor will conduct the required maintenance programs for all Government-owned equipment and assets, including both on-site and off-site locations.

II. <u>DELIVERABLES</u>

Deliverables include the following:

	liverable (E = Electronic via Link to a cument Management System, H = Hardcopy)	<u>Due</u>
1.	Monthly Maintenance Status Report in PCentra (E)	15 th of the month following data cut-off date
2.	Predictive Maintenance Quarterly Status Report in Documentum(E)	31 calendar days after the end of the quarterly period
3.	Site Maintenance Plan, including prioritized list of projects (E)	Each year by December 31

III. PERFORMANCE MEASURES

See Attachment 1.

2011-MAINTENANCE PROGRAM (WADS/2011)

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Attachment 1

WAD NUMBER: 2011-1.M PERFORMANCE AREA: Maintenance Program FISCAL YEAR: 2011

CRITERIA		DEDECODMANCE MEASUDE	FY 2011 OUTPUT		
		PERFORMANCE MEASURE	MINIMUM	TARGET	
1.	Execute a Maintenance Program at the SPR sites to support a high level of operational readiness.	The calculated Maintenance Performance Appraisal Report (MPAR) percentage reported in the monthly Maintenance Status Report.	95 percent each month SPR-wide	98 percent each month SPR-wide	
2.	Conduct a Predictive Maintenance (PdM) Program that will identify potential equipment failures.	The weighted average PdM index reported in the monthly Maintenance Status Report.	90 percent for the SPR each month	95 percent for the SPR each month	